

September 25, 2009



New York City Department of
Environmental Protection
www.nyc.gov/dep

59-17 Junction Boulevard
Flushing, NY 11373

Steven W. Lawitts
Acting Commissioner

Hon. Alexander B. Grannis
Commissioner
NYS Department of Environmental Conservation
625 Broadway, 14th Floor
Albany, New York 12233

Dear Commissioner Grannis,

At the Pace Academy Symposium on the State's water resources this past Wednesday, Assistant Commissioner Jim Tierney announced that within the month, DEC plans to issue a Draft Supplemental Generic Environmental Impact Statement (DSGEIS) on the impacts of expanded natural gas drilling in New York State. As you know, fully 90% of New York City's water supply is within the area that would be affected by expanded drilling.

The City is deeply concerned about the potential impacts that natural gas drilling could have on our water supply and infrastructure. The watershed is the primary source of drinking water for half of New York State's 18 million residents, who reside in the five boroughs of New York City and parts of Orange, Putnam, Ulster and Westchester counties. Over the past ten years, the City's water-rate payers have funded more than \$1 billion to increase our landholdings and conduct a broad range of protective and remedial programs in the watershed, and as the stewards of this irreplaceable water supply, DEP must act to prevent any activity that could lead to its degradation. I know that DEC shares this goal.

Following DEC's commencement of a DSGEIS last fall, DEP provided extensive comments on the draft scope, dated October 6, 2008 (attached). We did not receive direct feedback on those comments, but the Final Scope, issued February 6, 2009, did not sufficiently account for potential impacts of natural gas drilling to the City's watershed. To ensure that a comprehensive assessment is done, DEP and the New York City Water Board engaged their own consultant, a joint venture of Hazen & Sawyer and Leggette, Brashears, and Graham. While the full assessment will not be complete until December, I wanted to share with you immediately the enclosed presentation, given this morning at a meeting of the New York City Water Board.

The enclosed presentation provides a summary of the initial analysis and documents significant risks associated with gas drilling in the watershed, including chronic and acute impacts to water quality, available water supply, and critical water-supply infrastructure. Of particular concern is the substantial risk that hydraulic fracturing in the watershed could contaminate ground- and surface-water supplies. Other risks include surface disturbance, chemical/wastewater spills, subsurface failures, and waste disposal.

And the large water withdrawals necessary to support hydraulic fracturing could have substantial impacts on the watershed and water supply that are not fully understood. Finally, DEP's ability to deliver water to nine million people in New York State depends on the integrity of its infrastructure, which must be a top priority of the State when it considers permitting an activity that could imperil the water supply.

The potential consequences of these impacts are dire and cannot be overstated. Any material degradation of the watershed would jeopardize the historic Filtration Avoidance Determination (FAD) that the City and State have worked together to maintain and strengthen for the past 12 years. As a result, we have successfully prevented the need to build a \$10 billion filtration plant that would cost an estimated \$100 million to operate every year. The environmental and financial impacts of building such a plant would be enormous. Not only would the State risk compromising its greatest natural resource, but at today's water rates, the capital and operating costs of a Catskill/Delaware filtration plant would require a nearly 30% increase to the City's water rate. Perhaps the State's DSGEIS accounts for this possibility and proposes state- or private-sector funded mitigations to address it; in any event, DEP will submit detailed comments on the draft.

Before sanctioning any expanded gas drilling or moving forward with new regulations, the State must take the steps necessary to affirmatively show that the technology proposed to extract natural gas from the watershed does not pose a risk to the safety of the water supply of nine million state residents. To that end, I strongly urge you to request that the State Department of Health conduct a formal assessment of the potential public health impacts of gas drilling in the watershed. As the primary regulator of drinking water standards, State DOH is the appropriate agency to take the lead in identifying the contamination risks that natural gas drilling presents to the water supply, and whether those risks can be sufficiently addressed over the long term to protect both public health and the limited resources of the City and its water-rate payers.

With this data in hand, as well as the full results of DEP's own assessment, DEC will have the best information available to formulate a drilling policy that preserves New York's clean drinking water for many generations to come.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Lawitts', enclosed within a large, loopy oval shape.

Steven W. Lawitts

cc: Deputy Mayor Edward Skyler